[Mr. Chairman] [31st July 1965

9. Sri Saw. Ganesan.
10. Sri S. Madhavan.
11. Sri M. Kalyanasundaram.
12. Sri P. Ramachandran.

IV.—GOVERNMENT MOTION.

MOTION UNDER RULE 23 (1) OF THE MADRAS LEGISLATIVE COUNCIL RULES.

THE HON. SRI R. VENKATARAMAN : Sir, I move—

" That rule 23 (1) of the Madras Legislative Council Rules be suspended and this House do resolve to transact Government Business on Saturday, July 31, 1965 ".

MR. CHAIRMAN : The question is—

" That rule 23 (1) of the Madras Legislative Council Rules be suspended and this House do resolve to transact Government Business on Saturday, July 31, 1965 ".

The motion was put and carried.

3-30 p.m.

V.—GOVERNMENT RESOLUTION *RE*. INCREASE IN GUARANTEE FOR DEBENTURES ISSUED BY THE MADRAS CO-OPERATIVE CENTRAL LAND MORTGAGE BANK, LTD.

*** கனம் திரு. என். எஸ். எஸ். மன்றாடியார் :** கனம் தலைவர் அவர்களே, என் பெயரிலுள்ள பின்வரும் தீர்மானத்தை நான் பிரேரேபிக்கிறேன் :—

" 1964-ம் ஆண்டு தமிழ்நாடு கூட்டுறவு நில அடமான பாங்குகள் சட்டத்தின் 6-வது பிரிவைச் சேர்ந்த (2) உட்பிரிவின் கீழ், மாநில அரசாங்கம், தமிழ்நாடு கூட்டுறவு மத்திய நில அடமான பாங்க் லிமிடெட் வழங்கும் கடன் பத்திரங்கள் சம்பந்தமாகத் தாம் வழங்குகிற அதிக அளவு உத்திரவாதத் தொகையை ரூ. 30 கோடி (முப்பது கோடி ரூபாய் மட்டும்) மொத்த மதிப்பு வரையில் அதிகரிக்கலாம் என்று மாநில அரசாங்கத்திற்கு இச்சபை பரிந்துரைக்கின்றது. பாங்க் அவ்வப்போது மீட்கிற கடன் பத்திரங்கள் இதில் அடங்காது. அத்தகைய கடன் பத்திரங்கள் அவை வழங்கப்பட்ட தேதியிலிருந்து 25 ஆண்டுகளுக்கு மேற்பட்ட கால அளவிற்காக வழங்கப்படக் கூடாது. மேலும், கடன் பத்திரங்கள் வெளியிடப்படும் ஒவ்வொரு சமயத்திலும் அதற்குரிய வட்டி வீதம் இந்திய ரிசர்வ் பாங்க் அங்கீகரிக்கும் வட்டி வீதத்திற்கு மேற்படக் கூடாது ".

MR. CHAIRMAN : The question is—

" This Council recommends to the State Government that they may, under sub-section (2) of section 6 of the Madras Co-operative Land Mortgage Banks Act, 1934, increase the maximum amount of the guarantee given by them in respect of the debentures issued by the Madras Co-operative Central Land Mortgage Bank, Limited, up to a total face value of Rs. 30 crores (Rupees thirty

crores only) exclusive of such debentures as the Bank may from time to time redeem, such debentures being issued for periods not exceeding in any case 25 years from the date of issue and bearing interest at a rate not exceeding the rate of interest approved by the Reserve Bank of India for each floatation ".

The resolution was put and carried.

VI.—PRESENTATION OF THE FIRST SUPPLEMENTARY STATEMENT OF EXPENDITURE FOR 1965-66.

THE HON. SRI M. BHAKTAVATSALAM : Mr. Chairman, Sir, I rise to present the first Supplementary Estimates for the year 1965-66. A detailed statement explaining the demands under different grants has been placed on the table of the House. The total supplementary demand is for a sum of Rs. 19·73 crores, of which, however only a sum of Rs. 3·10 crores is on Revenue Account, the balance of Rs. 16·63 crores being on Capital and Loan Accounts.

2. The most significant additional liability on Revenue Account reflected in these Supplementary Estimates relates to the increase in rates of dearness allowance of our employees sanctioned towards the end of last month. With this increase, which will take effect from the pay for July due on the first of August 1965, the rates of dearness allowance of our employees will be on par with those of corresponding grades under Government of India, and will in fact be slightly better in the pay range Rs. 90—109. As on previous occasions, this increase in rates of dearness allowance will also apply to the employees of local bodies and teachers in aided institutions. The additional financial commitment on account of this enhancement of rates of dearness allowance has been estimated at Rs. 3·4 crores per annum, and towards the additional expenditure anticipated in the current year, a provision of Rs. 2 crores has been made under " 71. Miscellaneous ". This provision will be surrendered in due course and additional appropriation sought under " dearness allowance " under the various grants when the Revised Estimates for 1965-66 are finalised. This increase in the rates of dearness allowance, coming in the wake of the substantial increase which we had sanctioned in March last, has, no doubt, cast serious strain on our Ways and Means. But we hope that the Finance Commission, which is now in session, will take note of this inevitable commitment in their assessment of the financial needs of the State and propose adequate devolution of resources.

3. We have implemented a comprehensive programme of re-organisation of the Transport department and have strengthened the staff for inspection of stage carriages and trucks at various levels. Provision has been made in the Supplementary Estimates for about Rs. 6.48 lakhs towards the expenditure on additional establishment. We hope that this strengthening of the administrative